

Exhibit V

01-36971
EAF/dlr

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF LOUISIANA

IN RE: OIL SPILL by the OIL RIG
“DEEPWATER HORIZON” in the
GULF OF MEXICO, on
APRIL 20, 2010

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MDL NO. 2179

SECTION: J

JUDGE BARBIER

MAG. JUDGE SHUSHAN

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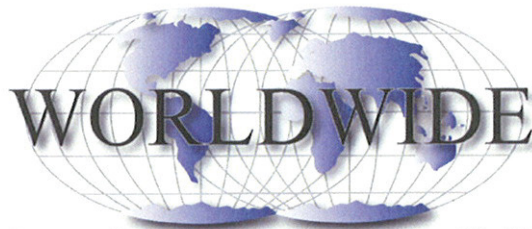


William Castell

VOLUME 1

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1 MR. GANUCHEAU: Objection, form.

2 A. Was our Committee under the impression that
3 blowout preventers could not -- I did not -- I had no
4 knowledge that blowout preventers failed routinely.

5 Q. (By Mr. Cunningham) Did you have any knowledge
6 about the history of blowout preventer failure in the
7 oil industry?

8 A. I don't believe, sir, in 2008 I had any
9 knowledge of the history of failures of blowout
10 preventers in the oil industry.

11 Q. All right. Let -- let's discuss what your
12 Committee did to assure implementation of OMS in the
13 Gulf of Mexico, including the important element of
14 Process Safety.

15 What was done when you reassessed the agenda
16 against the company's key risk to address the
17 implementation of OMS in the Gulf of Mexico

18 MR. BROCK: Object to form.

19 MR. STUART: Object to form.

20 A. The fact is, sir, we have a Global corporation
21 to run. We use assurance processes to help us
22 understand implementation. Our key resources are audit
23 function. We have 50 people in the audit function who
24 tell us what audits they're going to make in the year,
25 and then we get reports on how those audits went.

1 We monitor the adverse reports we get on
2 audits. They are categorized for each audit visit.
3 From memory, the Audit Team carries out somewhere
4 between 60 to a hundred audits a year. They categorize
5 that audit. If it's a high-level category, that this
6 is a bad audit, we will have it reported to us. If the
7 audit -- if the audit results -- and there are always
8 audits points outstanding as one drives to get a better
9 industrial unit. We always drive to see that there is
10 early closeout, and if people fail to close out on
11 their audits, then they have now to come to the
12 Committee to advise us and get permission actually from
13 GORC as to why they've gone late on their closeouts.

14 So our major control in the Committee is to
15 receive Expert Reports from various individuals and to
16 use the audit process. The audit process is
17 represented to us geographically, so we can see which
18 units have been audited around the world, we can focus
19 on those areas where there is, from our independent
20 audits, weakness, and that's how we run our SEEAC
21 Committee.

22 Q. (By Mr. Cunningham) Your Committee focused on
23 OMS, and it focused on Process Safety, correct?

24 A. Our Committee incorporated OMS and Process
25 Safety.

1 Q. All right. And --

2 A. And those are the things that are audited by
3 the Audit Team.

4 Q. All right. And what specifically was done by
5 your Committee to assure implementation of OMS in the
6 Gulf of Mexico, aside from auditing the progress?

7 A. That is the -- there -- there is not a process
8 by which we assure ourselves in every reporting unit,
9 including the Gulf of Mexico, that it has been
10 established. We rely on the reports from the Executive
11 as to where they have implemented OMS, and we have our
12 Audit Teams implement the total processes of the
13 company, and they report back to us on their findings.

14 Q. All right. What was your Committee's
15 understanding of the status of implementation of OMS in
16 the Gulf of Mexico when you became Chairman in 2008?

17 A. I don't recall, sir.

18 Q. You -- you -- you don't have any recollection
19 of --

20 A. No, sir.

21 Q. -- what the --

22 A. I'm Assurance Committee.

23 MR. BROCK: Let -- let him finish his
24 question.

25 THE WITNESS: Oh, beg your pardon.

1 MR. BROCK: Then you can give your
2 answer.

3 Q. (By Mr. Cunningham) Well, to assure something,
4 you have to know what it is, don't you?

5 MR. STUART: Objection, form.

6 Q. (By Mr. Cunningham) To give assurance of
7 something, you have to know something about it, don't
8 you?

9 A. We undertake sampling of an organization. If
10 we were to assure every activity of BP, we'd probably
11 have to be a hundred thousand strong ourselves --

12 Q. All right. So --

13 A. -- though it's typical in industry, sir, that
14 you have audits that look at processes within the
15 company to -- and those Audit Reports become a -- one
16 of the key vehicles that we use, apart from deep dives
17 into plants and site visits, to see what's occurring in
18 the company.

19 And I believe that that allows you to give
20 yourself reasonable assurance as to the capability of
21 Management, the systems they're using, the culture of
22 the company, and the value system of the company.

23 Q. All right. So your Committee had the means to
24 be assured about the status of the implementation of
25 OMS in the Gulf of Mexico, through audits?

1 A. My Committee did not focus specifically on any
2 unit around the globe. We get audits, where we agree
3 where the Audit Team is going to audit and what they're
4 going to audit, and we say, "We agree with your
5 assessment as to how you're going to allocate your
6 resources," and then we get reports from those audits.

7 Q. So your Committee, then, would have known what
8 the status of OMS implementation in the Gulf was on
9 April the 20th of 2010?

10 A. I don't believe that we would know what the
11 status of implementation of OMS was on April the 20th,
12 2010. On April the 20th of 2010, I couldn't tell you,
13 sir.

14 Q. So your audits would not reveal to you what
15 the status of OMS was in the Gulf of Mexico in April of
16 2010?

17 A. If the audit -- I don't know whether the Gulf
18 of Mexico was audited for OMS prior to that date in
19 2010. I believe that the OMS System went into the Gulf
20 in -- in '09, but I can't tell you whether or not we
21 had an audit between 2009 and the 20th of April 2010.

22 Q. Did your Committee do anything prior to April
23 20th of 2010 -- '10 to assure that OMS had, in fact,
24 been implemented in the Gulf of Mexico?

25 A. Other than gaining reports as to how far OMS

1 had been implemented across more than a hundred units
2 in BP, so we monitored the progress of implementation
3 and received regular reports from GORC as to how far
4 they've gone with implementation of the initial OMS.
5 And then we would visit -- when we do site visits, I
6 and my other colleagues have been inquiring about the
7 progress of OMS and looking at the in -- integration
8 with the existing legacy systems.

9 Q. Do you know today whether or not OMS had been
10 implemented in the Gulf of Mexico on April 20th, 2010?

11 A. I believe that OMS started its integration in
12 the Gulf in 2009. I would be personally surprised --
13 and I don't know, but I'd be surprised if it had been
14 fully integrated with all the legacy systems.

15 Q. Did you know that prior to April 20th of 2010,
16 that it had not been fully integrated?

17 A. I answered previously, sir, that I didn't know
18 what the status was of OMS in the Gulf on April the
19 20th, 2010.

20 Q. What, if anything, did your Committee do to
21 assure that OMS was implemented prior to April 20th?

22 MR. BROCK: Object to form.

23 A. As I hoped I'd explained, we'd receive reports
24 from the Management on the progress of the OMS
25 implementation, and we'd also receive reports from our

1 Audit Teams as to progress across the total company,
2 Upstream and Downstream, of the implementation of OMS.

3 Q. (By Mr. Cunningham) All right. And you just
4 don't know what those reports revealed; is that
5 correct?

6 A. When considering the Audit Reports, we would
7 focus on those where there were high-level weaknesses
8 identified. I don't recall that the Gulf of Mexico was
9 featured as a high-level weakness.

10 Q. And what do you consider a high-level
11 weakness?

12 A. There's a categorization of Audit Reports. In
13 this instance, we apply Categories 2, 3, and 4, and 2
14 is of Group importance, and 3, from memory, is one
15 where we still may inquire as to what's occurring. We
16 have liberty to go anywhere, but I'm guided by the
17 categorization of Risk Report.

18 MR. BROCK: (Indicating.)

19 THE WITNESS: Yes.

20 MR. CUNNINGHAM: Tab 28.

21 THE COURT REPORTER: 6248.

22 (Exhibit No. 6248 marked.)

23 Q. (By Mr. Cunningham) Hand you Exhibit 6248.
24 These are Minutes of the SEEAC. You were present on
25 March the 12th of 2009?

1 I further certify that I am neither counsel for,
2 related to, nor employed by any of the parties in the
3 action in which this proceeding was taken, and
4 further that I am not financially or otherwise
5 interested in the outcome of the action.

6 SUBSCRIBED AND SWORN to by me on this 22nd day of
7 June, 2011.

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